



RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To recommend that the District of Columbia Department of Insurance, Securities and Banking act to prohibit the ability of carriers to require back premium payments as a condition of enrollment during an open enrollment period.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) (“Act”) created the District of Columbia Health Benefit Exchange Authority (“HBX”), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §8 of the Act (D.C. Official Code §31-3171.07) requires the Authority to create a Standing Advisory Board (SAB), and consult with the SAB on certain matters, including any policy or operational issues within the Executive Board’s discretion;

WHEREAS, the SAB is comprised of a variety of stakeholders, including consumers, carriers, brokers, and small businesses;

WHEREAS, on April 18, 2017, the Centers for Medicare & Medicaid Services (CMS) promulgated a final rule, “*Patient Protection and Affordable Care Act; Market Stabilization* (Market Stabilization rule);

WHEREAS, the SAB met on May 18, 2017 to discuss policy issues that arose as a result of the Market Stabilization rule;

WHEREAS, in the Market Stabilization rule, CMS reinterprets the statutory requirements of guaranteed availability, and permits carriers to condition the effectuation of new coverage on payment of past due premiums, but recognizes that states may prohibit this practice;

WHEREAS, the CMS reinterpretation has negative consequences for DC Health Link because such a policy could reduce enrollments of younger and healthier people;

WHEREAS, carriers currently have the ability to seek payment for past due premiums through collections similar to other businesses;

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby adopts the consensus recommendation from the Standing Advisory Board as follows:

Recommend that DISB act to prohibit the ability of carriers to require back premium payments as a condition of enrollment during an open enrollment period.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this 14th day of June, 2017, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

Khalid Pitts, Secretary/Treasurer

District of Columbia Health Benefits Exchange Authority

Date